

Department of Social and Health Services

DP Code/Title: M2-HC FFP for Other Entities

Program Level - 080 Medical Assistance

Budget Period: 2003-05 Version: 11 2003-05 Agency Request Budget

Recommendation Summary Text:

The Medical Assistance Administration (MAA) is requesting additional Federal Financial Participation (FFP) spending authority in the 2003-05 Biennium. The request stems from the underfunding of federal matching administrative funds available for payment to the various school districts and other entities with whom MAA contracts to provide eligibility and services coordination functions for school-aged Medicaid-eligible children.

Fiscal Detail:

Operating Expenditures

| | <u>FY 1</u> | <u>FY 2</u> | <u>Total</u> |
|---|--------------------|--------------------|---------------------|
| Program 080 | | | |
| 001-C General Fund - Basic Account-DSHS Medicaid Federa | 21,400,000 | 21,400,000 | 42,800,000 |
| Total Cost | 21,400,000 | 21,400,000 | 42,800,000 |

Staffing

Package Description:

MAA claims federal match on behalf of school districts and public health districts in the state of Washington for Medicaid outreach activities. This federal match allows school districts to maximize federal revenue through MAA. Additional federal Title XIX authority is needed to meet the current demand for matching funds related to administrative activities by these entities on behalf of Medicaid eligible clients.

In the last two fiscal years, MAA has requested additional FFP through unanticipated receipts. The request totaled \$21.4 million in State Fiscal Year 2002. This decision package, if funded, would result in sufficient FFP within the MAA base budget. Thereby eliminating the need for unanticipated receipt requests, and providing a more accurate depiction of MAA's federal funding need.

Narrative Justification and Impact Statement

How contributes to strategic plan:

Performance Measure Detail

Program: 080

Goal: 10H Assure access to high quality health care

Incremental Changes

FY 1

FY 2

No measures submitted for package

Reason for change:

MAA has been underfunded with respect to adequate FFP authority for reimbursement to school districts and other contractors that provide eligibility and service coordination functions for Medicaid-eligible children.

Impact on clients and services:

There would be no impact on clients and/or services.

Impact on other state programs:

Department of Social and Health Services

DP Code/Title: M2-HC FFP for Other Entities

Program Level - 080 Medical Assistance

Budget Period: 2003-05 Version: 11 2003-05 Agency Request Budget

None

Relationship to capital budget:

None

Required changes to existing RCW, WAC, contract, or plan:

None

Alternatives explored by agency:

The alternative remains for MAA to continue submitting unanticipated receipt requests at the close of each fiscal year to make certain that adequate FFP authority exists to make payments to school districts and contractors.

Budget impacts in future biennia:

This decision package reflects ongoing budgetary need and will impact future biennia as long as MAA has a contractual relationship with the entities that provide these functions.

Distinction between one-time and ongoing costs:

The costs reflected in this decision package are all ongoing.

Effects of non-funding:

MAA will continue submitting unanticipated requests for additional FFP authority each fiscal year.

Expenditure Calculations and Assumptions:

None

Object Detail

| | <u>FY 1</u> | <u>FY 2</u> | <u>Total</u> |
|---|--------------------|--------------------|---------------------|
| Program 080 Objects | | | |
| N Grants, Benefits & Client Services | 21,400,000 | 21,400,000 | 42,800,000 |

DSHS Source Code Detail

| Program 080 | | <u>FY 1</u> | <u>FY 2</u> | <u>Total</u> |
|--|-----------------------|--------------------|--------------------|---------------------|
| Fund 001-C, General Fund - Basic Account-DSHS Medicaid Federa | | | | |
| <u>Sources</u> | <u>Title</u> | | | |
| 19UL | Title XIX Admin (50%) | 21,400,000 | 21,400,000 | 42,800,000 |
| Total for Fund 001-C | | 21,400,000 | 21,400,000 | 42,800,000 |
| Total Program 080 | | 21,400,000 | 21,400,000 | 42,800,000 |